

7 August 1953

MEMORANDUM FOR: The Acting Deputy Director (Administration)  
SUBJECT: Terminal Pay

1. I have been advised that it is legally possible and is permissible under Agency regulations for employees to resign abroad and collect territorial or hardship post differentials on their accrued terminal leave payments. This can apparently be done without even loss of return travel rights if the individual has satisfactorily fulfilled the normal service requirements for eligibility for return travel.

2. Since the differentials range as high as twenty-five per cent, the sums involved may be substantial, and, in the absence of any prohibition, a person intending to resign at such a post would be foolish not to effect his resignation at the post.

3. This seems to be an unconscionable raid upon the public treasury which the Agency should avoid if possible. In addition, it might even constitute a strong inducement to resignation--perhaps with full intention of "reenlistment".

4. I have no personal knowledge of specific cases where this has happened other than instances of such resignations in [ ] which were cited. I recommend investigation and remedial action if necessary.

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Special Assistant to the  
Deputy Director (Admin.)

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